International Defense and Trade

Offset Solutions



Formtek is an Offset Service Provider with a proven track record of executing projects that help all parties meet their cost and value requirements



Formtek Offsets

Formtek Offers Unique Offsets Experience

What are offsets?

Offsets are broadly defined as industrial, commercial and/or political arrangements under which foreign suppliers implement specific projects which benefit the procuring country and are aimed to partially or fully offset the country's procurement costs.

Offsets have emerged as an important factor in international defense and trade deals. In fact, Offsets are imposed by approximately 85% of the world's countries. This arrangement is typically used to improve a country's domestic industry, enhance technology capabilities, promote investment, and create job opportunities. They are complex arrangements in that each country has unique Offset guidelines and requirements which must be met. In addition, suppliers must provide value to the procuring country at a cost that they deem to be reasonable.

Formtek has unique experience in the Offset arena. With over 10 years of experience as an Offset Service Provider, we have been involved in a number of multifaceted negotiations between organizations in order to satisfy Offset obligations. We have partnered with aerospace and defense suppliers, as well as foreign entities to develop Offset projects that helped all parties meet their cost and value requirements. These solutions have included technology transfer, knowledge transfer, solutions delivery, integration assistance, and license grant.



We have proven success in delivering Indirect Offset solutions. These include Offsets unrelated to the supplier's exports or activities. In one example, Formtek established a partnership with a company in the procuring country and provided IT technology transfer, support, training, technical knowledge transfer, and license grants associated with Formtek's Content Repository Services software. This effort generated offset credits for a major US aerospace and defense company, as well as new revenues for our partner in the procuring country.

Formtek is a partner in all your Offset needs. We bring to the table:

- Flexibility to define and deliver value while meeting unique Offset guidelines and requirements
- **Expertise** in the aerospace and defense industry
- Reliable technology solutions that meet the rigorous requirements of mission critical environments
- **Experience** in delivering solutions globally

Formtek creates Offset projects that add value. Formtek works closely with obligation holders and foreign entities to create projects that add value to the contract by contributing high value technical solutions. Our Offset projects generate significant credits at attractive cost-to-credit ratios.

Formtek has a proven track record in executing Offset projects. A sample of Offset program components includes:

- In-country technology alliance partnership
- Solutions delivery to foreign agencies
- Strategic knowledge transfer and consulting
- · Technology transfer
- Marketing assistance
- Intellectual Property (IP) licenses

Proven technology supporting mission critical operations

For over two decades, Formtek has provided mission critical support to some of the most demanding manufacturing, aerospace, industrial and technical operations in the world. We understand the complex and demanding needs of sophisticated operations and we deliver extremely secure and stable software technology to support those needs. Formtek's software offers the most reliable Content Repository Services available, and can be integrated or embedded in virtually any other software application, thereby content-enabling the application

Formtek has a proven track record in commercial and defense-related applications around the world. We have implemented technology solutions for companies within the US aerospace and defense industry, multinational companies, and governments of many nations. As a global solutions provider, we have significant experience in working in foreign countries. Our products are internationalized for quick localization into many languages and we currently support localized versions for the Asia-Pacific market.

Formtek's software technology provides:

- Secure, stable, and embeddable Content Repository Services
- A highly configurable and tailorable solution
- Multi-level security based on user, group, role, objectID, and life cycle state
- Complex revision and version control
- Support for the life cycle process of information
- A basis for shared data environments
- Software development tools including Web Services and a Pure Java API
- Internationalized software code base

To learn more about how Formtek can help you meet your Offset obligations, please contact us at:

> 1.800.FORMTEK bizdev@formtek.com

We understand the intricacies involved in defining and executing Offset projects. Formtek has rare expertise in this complicated and emerging aspect of global transactions. Drawing on our experience, we will help you negotiate a valuable Offset solution. When negotiating an Offset package, Formtek can help you:

- **Structure** Offset value propositions
- **Design** an indirect industrial Offset program
- **Negotiate** terms with foreign governments
- Establish in-country relationships with approved vendors
- Reduce Offset obligations and add significant value to your contract





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ABOUT FORMTEK

For over two decades, Formtek has been providing mission-critical IT software and services to some of the most demanding engineering, manufacturing, aerospace, industrial, and technical organizations in the world. We build products and solutions for content management platforms that are open and adaptable to complex IT environments, including Formtek | Orion Content Repository Services and the Alfresco Digital Business Platform. Our software application solutions also include the Formtek Engineering Data Management (EDM) Solution for Alfresco.

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